



FYI

For Your Information

A newsletter for employers covered by the Retirement Systems

Volume VIII

Summer 2004

Coming Up!

The Retirement Systems has designated a group of employees representing all departments to come up with a universal employer contact change form that can be used to change any of the many contact people from your organization who deal with our office.

Once established, this form will eliminate the need to formally write a letter to us on your organization's stationery to change your primary contact as well as other contacts.

We promise to make the form quick and simple! Plus, we plan to make it available on our Web site. We'll let you know when the form is ready!

Web-Based Electronic Reporting Tool Debuts

EESER Allows Employer Reporting via Internet

The South Carolina Retirement Systems is pleased to announce its newest electronic reporting tool, Electronic Employer Services Employer Reporting (EESER).

EESER is a Web-based application that will enable employers to key and submit quarterly detail records via the Internet beginning with the September quarter of fiscal year 2004-2005.

At this time, EESER requires manual user data entry and does not allow data to be downloaded from other automated systems.

EESER is intended to replace the Retirement Systems' PC program. Although we will continue to accept data submitted through the PC program, we will no longer maintain

it. For that reason and, more importantly, because of the advanced capability of the EESER system, we advise all employers filing on paper or via the PC program to switch to the new reporting tool as soon as possible.

To use EESER, employers must have access to our Electronic Employer Services (EES) Web-based application. As an employer, the EES program allows you to access information about your employees' retirement accounts through a secure Web site.

A few of the many tools available through EES include:

- Specific account information;
- Retirement benefit estimates;
- Service credit history; and
- Contribution report error information.

To initiate EES access, please complete an *Electronic Employer Services (EES) Confidentiality Agreement* (Form 6503) and an *Electronic Employer Services (EES) Authorizing Agent Designation/Agreement* (Form 6504) and return them to the Retirement Systems. Along with your completed forms 6503 and 6504, please include a completed *Electronic Employer Services (EES) Designated Employee Confidentiality Agreement* (Form 6505) for each employee for whom you are seeking EES access. These forms are located on our Web site at www.retirement.sc.gov/forms.html.

If your organization will be submitting quarterly data via EESER, please be sure to check "EESER Reporting" on Form 6505.

Upon receipt and processing of your EES application, we will also send instructions for EESER to your employees if EESER is indicated on the 6505 forms. If after reviewing the instructions you need additional training, please contact Customer Services at (800) 868-9002, (803) 737-6800, or cs@retirement.sc.gov to schedule a time for one of our Customer Education representatives to assist you in learning how to use this exciting new reporting tool.

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State Optional Retirement Program Reporting

The South Carolina Retirement Systems began tracking individual data on State Optional Retirement Program (State ORP) participants effective July 1, 2004.

Beginning with the September quarter of fiscal year 2004-2005, we will require detail wage and vendor information by Social Security number (SSN), similar to the data required for South Carolina Retirement System (SCRS) and Police Officers Retirement System (PORS) members, on quarterly reports.

As a result of this reporting change, your *Quarterly Contribution Report Summary* (Form 1246) will now

Due to the new reporting requirements related to State ORP for fiscal year 2004-2005, employers reporting State ORP members on furlough will need to do so on Retirement Systems Form 1224. The Retirement Systems will need detailed member information indicated on the form to process the report.

require **quarterly** information for State ORP. Currently, Form 1246

uses **monthly** information for State ORP. Another change effective July 1, 2004, eliminates the requirement of reporting the number of participants or wage information by vendor on the *Quarterly Contribution Report Summary* (Form 1246) or the *Monthly Deposit* (Form 1244). New forms reflecting these changes were mailed to you in July.

As always, we appreciate your cooperation and support in providing our members with flexibility in their retirement plan selection.

Legislative Update for Fiscal Year 2004-2005

Legislation

Definition of Public Service

(S852, R347)

S852 was ratified by the South Carolina General Assembly June 2, 2004, and is awaiting Governor Mark Sanford's signature. S852, which will retroactively take effect July 1, 2004, upon the Governor's signature, expands the definition of public service relative to service purchases.

If signed by the Governor, public service will include paid service rendered as an employee of a postsecondary public technical college or public junior college, or a public four-year or postgraduate institution of higher education, while a member of the South Carolina Retirement Systems was a student at that institution.

We will notify you if and when this bill is signed by the Governor.

JSRS Reform

(H4963, R334, A249)

H4963 was ratified by the General Assembly May 19, 2004, and was signed by Governor Mark Sanford May 24, 2004. H4963, which took effective July 1, 2004, reforms the Judges and Solicitors Retirement System (JSRS) statute to define earned service, service credit establishment, cost of service, retirement options, vesting, and monthly retirement allowances; and increases employee contributions.

Budget Provisos

Department of Education

A proviso included as part of the FY 2005 Appropriations Act continued the South Carolina Department of Education's (SCDOE) annual earnings limitation exemption for retired South Carolina Retirement Systems members who return to work.

The exemption from the earnings limitation applies to retired educators hired as teacher specialists, principal specialists, principal leaders, or curriculum specialists by public school districts in a geographical or academic critical needs area.

The SCDOE submits a list of all approved exemptions to the Retirement Systems each year.

Furloughs

Several provisos in the FY 2005 Appropriations Act provide that employers are responsible for making both employer and employee contributions to the Retirement Systems for an employee who is on either a mandatory or voluntary furlough.

For more detailed information about the various furlough programs, go to www.scstatehouse.net/html-pages/legpage.html and look for the following provisos within the FY 2005 Appropriations Act:

- 1.74.** School District Furlough
- 5A.11.** Higher Education Institution Furlough
- 63.24.** State Agency Mandatory Furlough
- 72.49.** State Agency Voluntary Furlough

Upcoming Regional Pre-Retirement Seminars

The following regional pre-retirement seminars have been scheduled by our Customer Education staff:

Date	Facility	Location
October 15, 2004	Coastal Carolina University Wall Auditorium	Conway, SC
October 25, 2004	Greenville Technical College J. Verne Smith Auditorium	Greenville, SC
October 29, 2004	Winthrop University Plowden Auditorium	Rock Hill, SC
November 1, 2004	Trident Technical College Student Center	Charleston, SC
November 5, 2004	Technical College of the Lowcountry McClain Hall	Beaufort, SC
November 12, 2004	All four Columbia seminars are being held at the Department of Health and Environmental Control (DHEC) Peoples Auditorium	Columbia, SC
November 19, 2004		Columbia, SC
December 3, 2004		Columbia, SC
December 10, 2004		Columbia, SC

Installment Service Purchase Program Rate Changes

The interest rate for the Installment Service Purchase Program dropped to 6.00 percent effective July 1, 2004.

The 6.00 percent rate applies to new accounts activated July 1, 2004, through June 30, 2005.

The Installment Service Purchase Program allows active contributing members to establish eligible service credit through installment payments. For more information, contact Customer Services at (800) 868-9002, (803) 737-6800, or cs@retirement.sc.gov.

Service Reminders

As you know, you are called upon to verify a member's salary when the member has requested a cost for purchasing service. Please keep in mind that for service purchase calculation purposes, a member's salary includes any compensation subject to retirement contributions.

When verifying a member's salary, please be sure to include any payments subject to retirement contributions in addition to the member's base salary.

Such payments include, but are not limited to, overtime pay, compensatory time, summer school pay, stipends, shift differentials, etc.

When completing a *Request for State ORP Service Verification* (Form 2130), please provide quarterly earnings information based on the dates an employee's compensation was **earned**, not on the dates an employee's compensation was **paid**.

We are currently revising Form 2130 so that it reflects our efforts to obtain the more detailed information we need to calculate members' benefits.

There are so many aspects of what we do that depend on your assistance and cooperation. In case we don't let you know often enough, we appreciate all of your efforts on behalf of our members!

Trash Those Old Forms, Please!

The Retirement Systems routinely updates its forms and although we do not send out notification each time a minor change is made, we do try to let you know when a change is significant enough to warrant the immediate disposal of a previous version.

As a result, there are a good many out-of-date forms being used by employers and members. An easy way to find out if you are using the most current version of most forms is to go to our Web site and check the revision date in the top left corner of a particular form.

If your form's date is older than the form on the Web, please discard it and begin using the most current version. We appreciate your help!

Meet the Reps!

Many of you have known your Customer Services Field Education field representative for a number of years, but for those of you who haven't, we would like to introduce our team.



Front row (left to right): Lynn Boles, and Shawn Holman. Back row (left to right): George Hazin, Glenn King, and Bob Martin.

Look Out for Training Request Survey (Second Request)

Customer Education will be mailing a second request for input on its FY 2005 training calendar. The mailing will include a tentative schedule for pre-retirement education seminars and benefits overviews based on your responses to the initial mailing of the FY 2005 Customer Education Training Request Survey.

Your training request survey responses are an essential part of our Customer Education Unit's planning process and help ensure adequate staffing and maximization of limited resources.

If you discover that your organization is listed on the tentative schedule with an unspecified date, please advise our office either by fax at (803) 737-7461 or via email at cs@retirement.sc.gov of your date preference. Since participation will be based on the dates still available on the Customer Education training calendar, we encourage you to lock in a date as soon as possible.

If you did not participate in the initial training request survey and want to be added to the calendar, please let us know by September 1, 2004.

State Budget and Control Board

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FYI is published periodically by the South Carolina Retirement Systems for its participating employers.

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